



OFFICE OF INSPECTOR GENERAL

UNITED STATES POSTAL SERVICE

HIGHLIGHTS

June 2, 2014

Web End-of-Run System Report Number MS-AR-14-004

BACKGROUND:

The U.S. Postal Service uses the Web End-of-Run (WebEOR) system to collect, store, and report mail volume data. The WebEOR process for collecting mail volume data differs depending on the type of mail processing involved. The system collects automated mail volume data directly from mail processing equipment. It bases daily manual mail volume on projections from annual surveys that Postal Service plant personnel conduct. About 95 percent of the total mail volume WebEOR records is automated and about 5 percent is manual.

The Postal Service must consider WebEOR data when establishing workshare discounts it provides to mailers for presorting, barcoding, or handling mail. The Postal Service uses WebEOR data in cost avoidance calculations and other analyses, including assessments of plant productivity. The Postal Accountability and Enhancement Act of 2006 established regulations for workshare discounts and requires the U.S. Postal Service Office of Inspector General (OIG) to review data collection systems the Postal Service uses to determine annual product costs, revenue, and rate reporting. WebEOR is one of several systems the Postal Service uses to gather such data.

Our objective was to evaluate the accuracy of mail volume that WebEOR reports.

WHAT THE OIG FOUND:

The Postal Service has opportunities to increase the accuracy of mail volume data that WebEOR reports. WebEOR's automated volume data has generally proven to be reliable; however, the system resets volumes to zero if mailpieces that require processing by multiple sort programs are not subsequently processed within 3 business days. The system cannot automatically identify when this type of variance occurs, so staff members must manually review data collection reports to detect the errors. This may affect the accuracy of automated WebEOR data. The accuracy of manual WebEOR data also faces risks, albeit on a smaller scale, from inconsistencies in mail surveys and the use of less reliable judgmental sampling for those surveys.

Increasing the accuracy of mail volume data reported by WebEOR would help strengthen the Postal Service's cost calculations and enhance the accuracy of the data management use to make decisions.

WHAT THE OIG RECOMMENDED:

We recommended the Postal Service update WebEOR to automatically identify mail volumes that are reset to zero, improve the consistency of manual mail surveys, and evaluate additional strategies to improve the methodology used to conduct manual mail surveys.